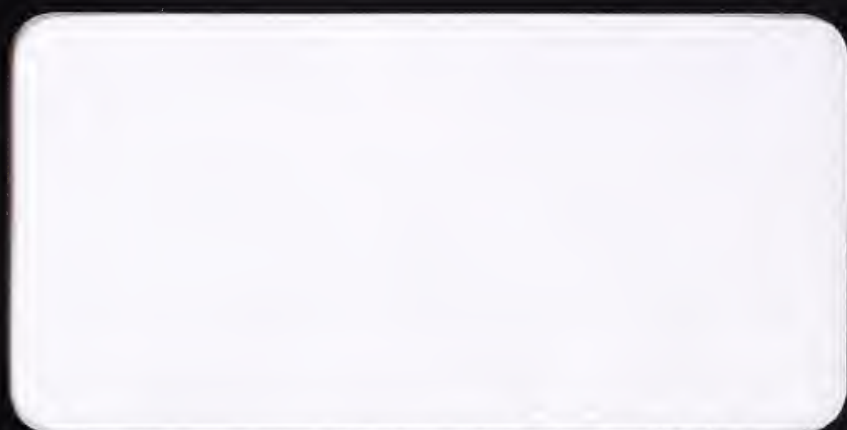


Customer Services, Europe  
The Open Systems Support  
Challenge

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# Customer Services, Europe The Open Systems Support Challenge

9 February 1993

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***The Open Systems Support Challenge***

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# **Customer Services, Europe The Open Systems Support Challenge**

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Michael Longy  
Principal Consultant



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Restructuring for Growth

## Key User Demands

- Effectiveness
- Cost reduction
- Value for money

E-CS-132

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Notes

Restructuring for Growth

## Seeking Cost Reduction for IT

- Downsizing
- Outsourcing
- 80% solutions

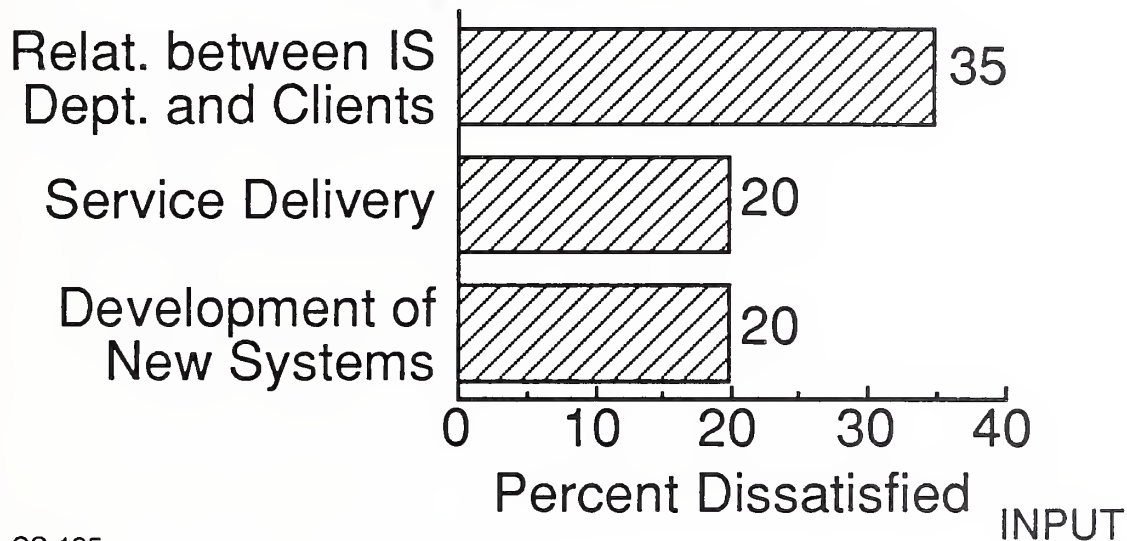
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Notes



# Major Challenges for IS Departments



E-CS-135

Notes

Restructuring for Growth

## Presentation of Market Analyses

- Unique
- Non-unique
- All other services
- No software products

E-CS-145

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Notes

# Growth Over 1991

- 3% overall
- Ranging from -4% to +17% by sector
- Business continuity best
- Education and training worst

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E-CS-156

Notes

# Growth 1992 to 1997—I

Category	\$ Billion		
	1992	1997	CAGR (%)
Hardware Maintenance	15.9	17.4	2
Environmental Services	7.9	10.2	5

E-CS-157

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## Notes



# Growth 1992 to 1997—II

Category	\$ Billion		
	1992	1997	CAGR (%)
System SW Support	1.9	2.8	8
Educ. and Training	1.3	1.6	4
Professional Servs.	0.8	1.4	11
Business Continuity	0.4	0.9	20

E-CS-158

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Notes

# Growth 1992 to 1997—III

Category	\$ Billion		
	1992	1997	CAGR (%)
Unique Services	23.8	27.6	3
Non-Unique Services	4.4	6.6	8
Total	28.1	34.3	4
Other Services	4.4	7.1	10

E-CS-159

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## Notes

# Leading Suppliers 1991—Europe

Vendor	Share (%)
IBM	13
Digital	9
SMI	6
Bull	4
AT&T/NCR	4

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E-CS-184a

Notes

# Hardware Maintenance Model

- 4 layers
  - Mainframe
  - Mid-range
  - Workstation and server
  - PC
- Volume and value attrition
- Fee rates

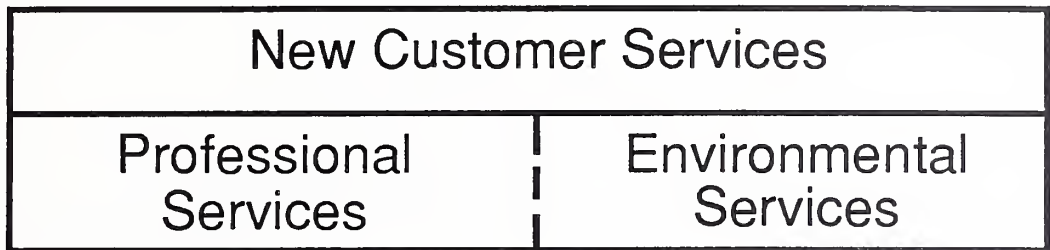
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Notes



# Market Segmentation



- ↓
- Consultancy
  - Design
  - Project mgmt.



- Computer room
  - Cabling
  - Power
  - Installation
- INPUT

E-CS-77

Notes

# U.K. Growth Over 1991

- 1% overall
- Ranging from -15% to +28% by sector
- Business continuity best
- Education and training worst

E-CS-156a

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Notes

# U.K. Growth 1992 to 1997—I

Category	£ Billion		
	1992	1997	CAGR (%)
Hardware Maintenance	1.6	1.7	1
Environmental Services	0.9	1.0	3

E-CS-157a

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## Notes

Rounded market values ×

# U.K. Growth 1992 to 1997—II

Category	£ Billion		
	1992	1997	CAGR (%)
System SW Support	0.3	0.4	9
Educ. and Training	0.1	0.1	0
Professional Servs.	0.1	0.2	12
Business Continuity	0.1	0.2	22

E-CS-158a

INPUT

## Notes

Rounded market values



# U.K. Growth 1992 to 1997—III

Category	£ Billion		
	1992	1997	CAGR (%)
Unique Services	2.5	2.7	2
Non-Unique Services	0.5	0.8	10
Total	3.0	3.6	4
Other Services	0.4	0.7	11

E-CS-159a

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## Notes

Rounded market values

# U.K. Market



E-CS-182a

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## Notes

## Trends 1992—U.K.

- Maintenance decline
- Downsizing
- Total service contracts
- Partnering/outourcing
- Availability key

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E-CS-183a

Notes

## Leading Suppliers 1991—U.K.

Vendor	Share (%)
IBM	11
Digital	10
ICL	10
H-P	4
Unisys	4

E-CS-184b

INPUT

Notes



# Non-Available Market

- Bundled
- User self-service
- Own trends

INPUT

E-CS-154

Notes

# Multivendor Maintenance Market Europe

E-CS-181

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Notes

## Definition

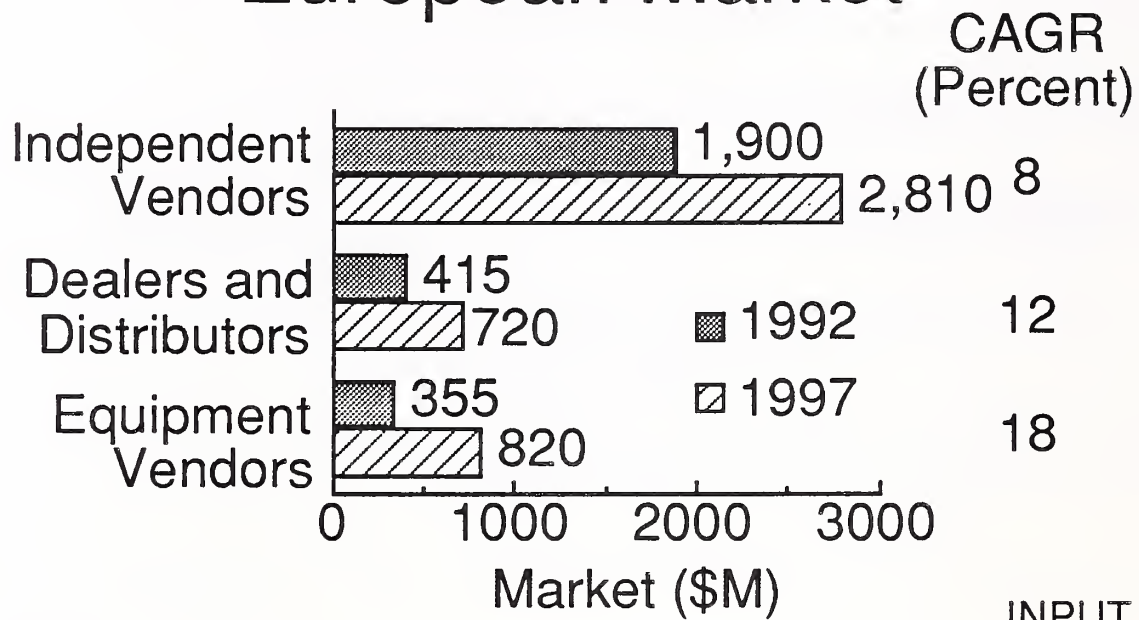
- Restated as
  - Hardware suppliers' multivendor
  - All independent maintainers'
- Multiservice contract with hardware maintenance

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E-CS-169

## Notes

# European Market



E-CS-170

## Notes

Multivendor Maintenance—U.K. and Europe

# Country Markets—I

Country	\$ Millions		
	1992	1997	CAGR (%)
France	500	680	6
Germany	270	460	11
U.K.	830	1,200	8
Italy	240	390	10

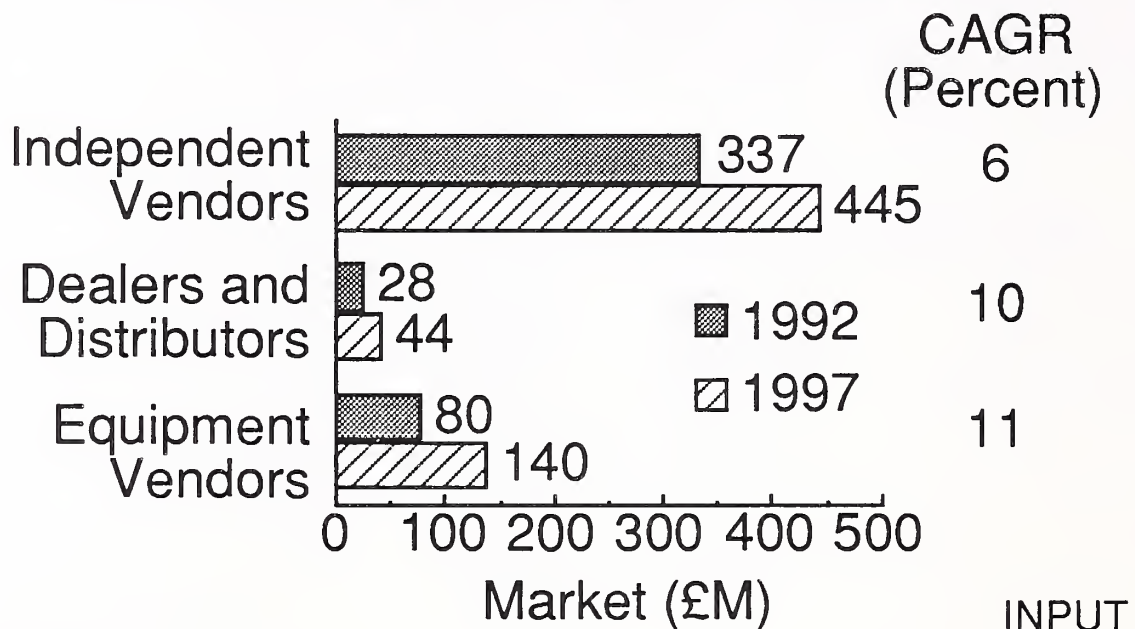
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Notes



# U.K. Multivendor Market



E-CS-182b

## Notes

## Trends 1992—U.K.

- IMO's diversify to software
- Downsizing
- Dealers weaken
- Partnering/outourcing deals

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E-CS-183b

Notes

## Independent Suppliers 1991—U.K.

Vendor	Share (%)
Granada	20
ACT	6
Computeraid	4
Sorbus	4
Servicetec	3

E-CS-184c

INPUT

Notes

## Multivendor Maintenance—France and Europe

# Strategy Development

- Reorient perspective
- Transition opportunities
- Strategic options, e.g.
  - Prime contractor
  - Services vendor
  - Subcontract/FPM

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E-CS-168

Notes

## Multivendor Maintenance

# Open Systems

- From threat to reality
- Three-year transition
- Services strategy

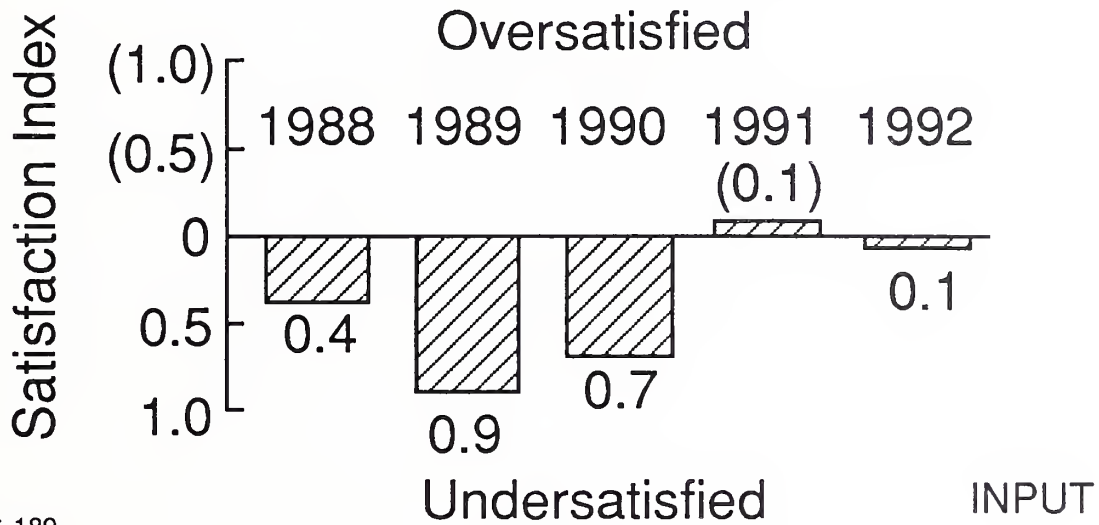
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## Notes

Europe

# Hardware Service Satisfaction Trends



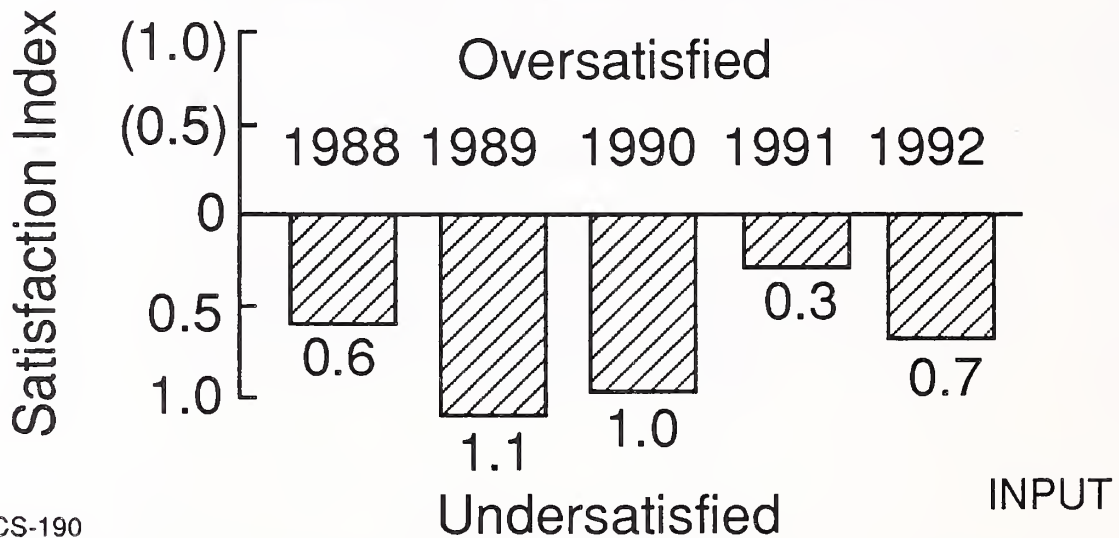
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Notes



Europe

# Systems Software Support Satisfaction Trends

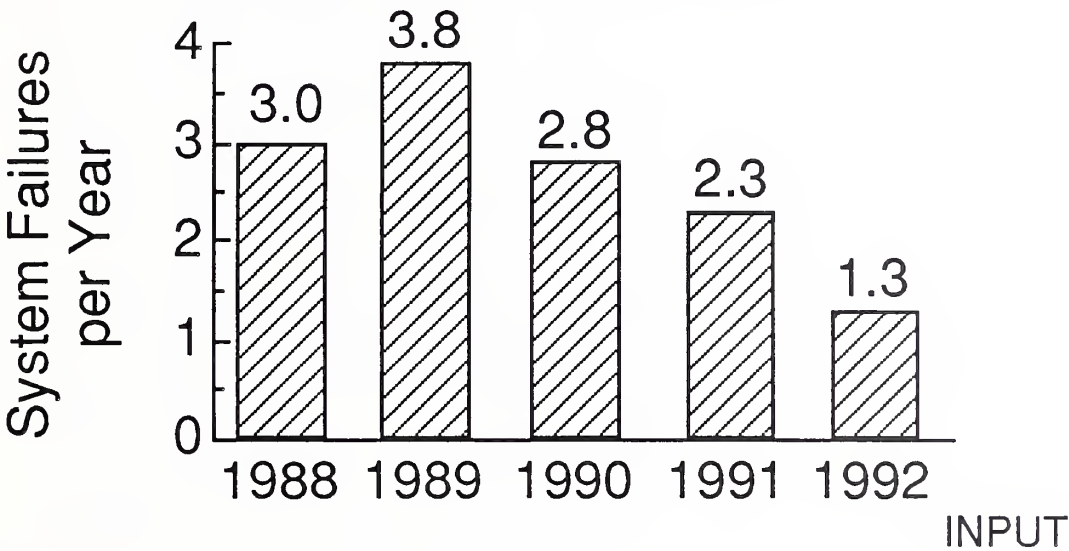


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Notes

Europe

# System Failure Rate Trends

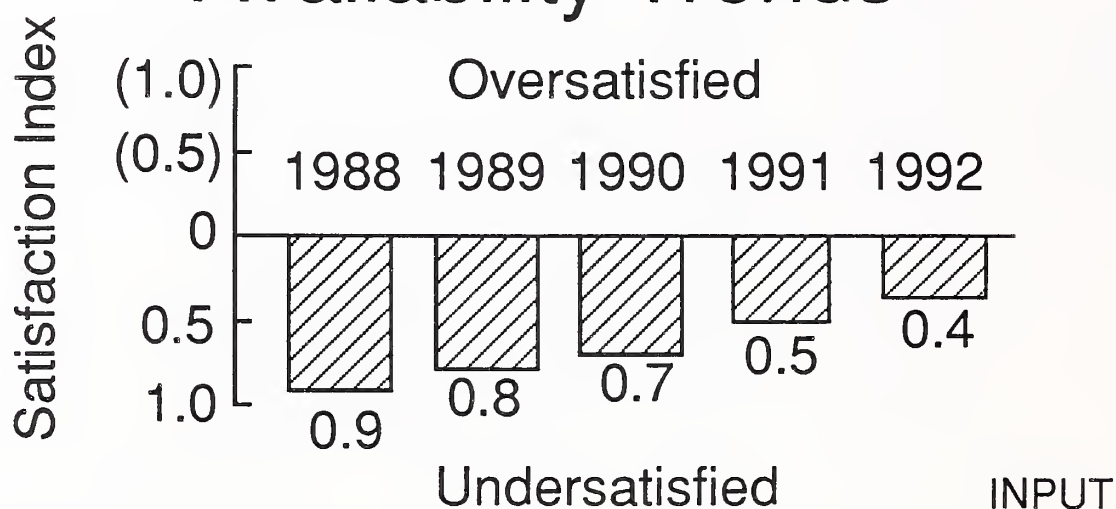


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Notes

Europe

## Satisfaction with System Availability Trends

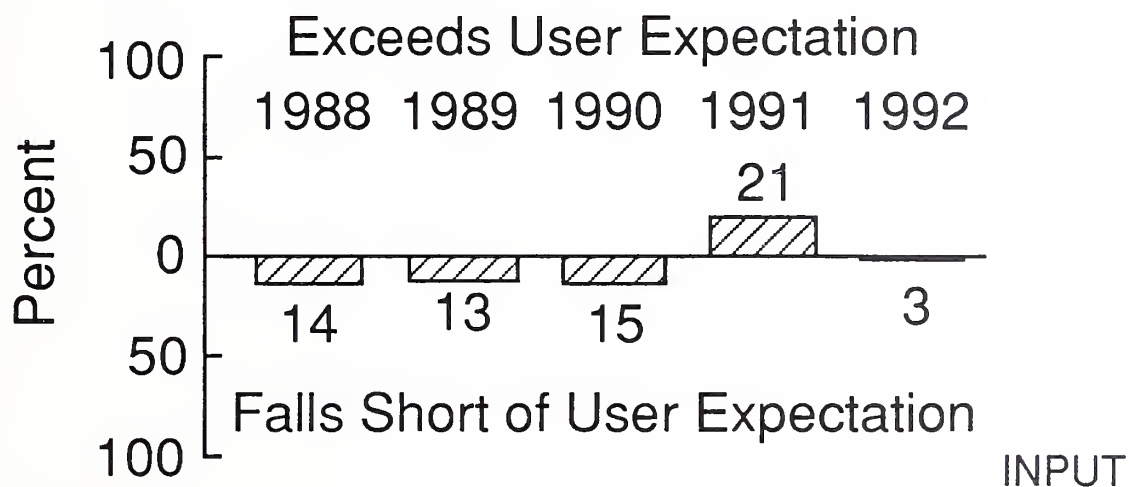


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Notes

Europe

## Response Time Trends Hardware Service



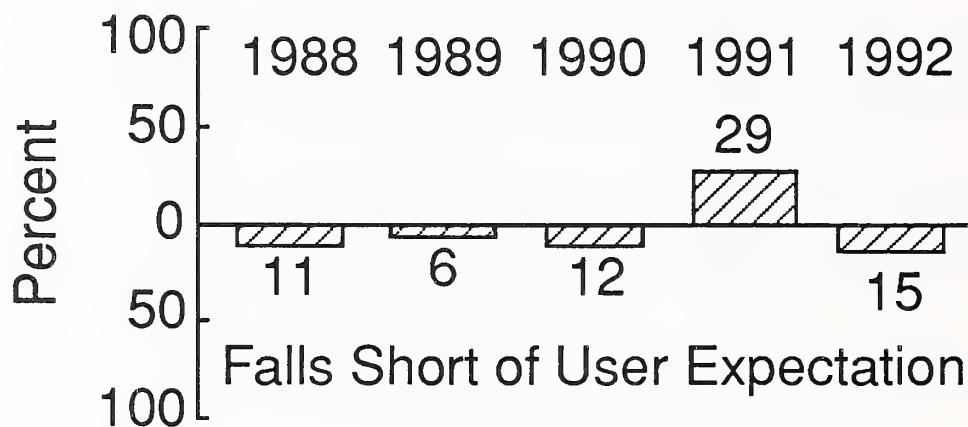
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Notes

Europe

# Repair Time Trends Hardware Service

Exceeds User Expectation



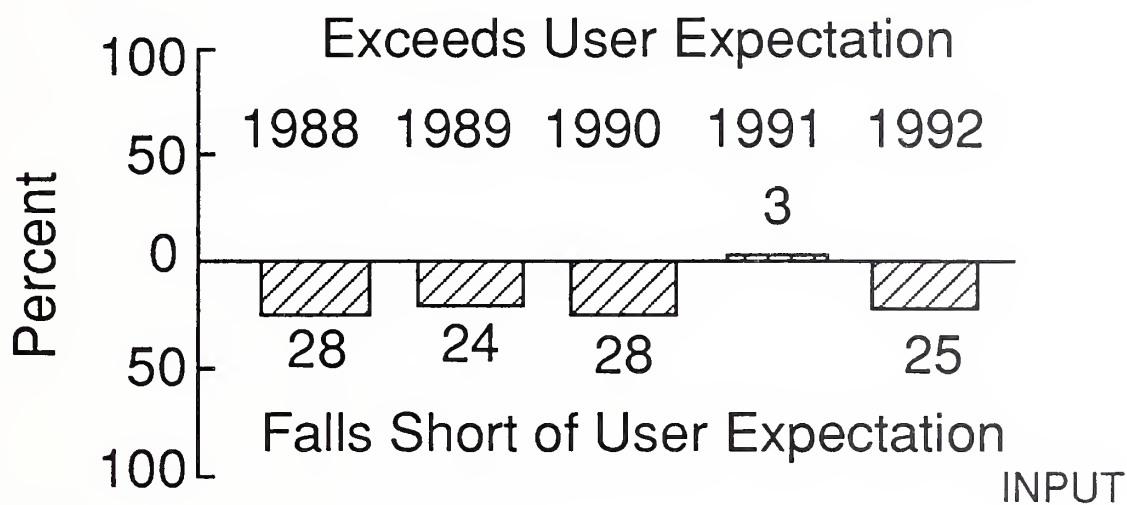
E-CS-194

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Notes

Europe

# Response Time Trends Systems Software Support



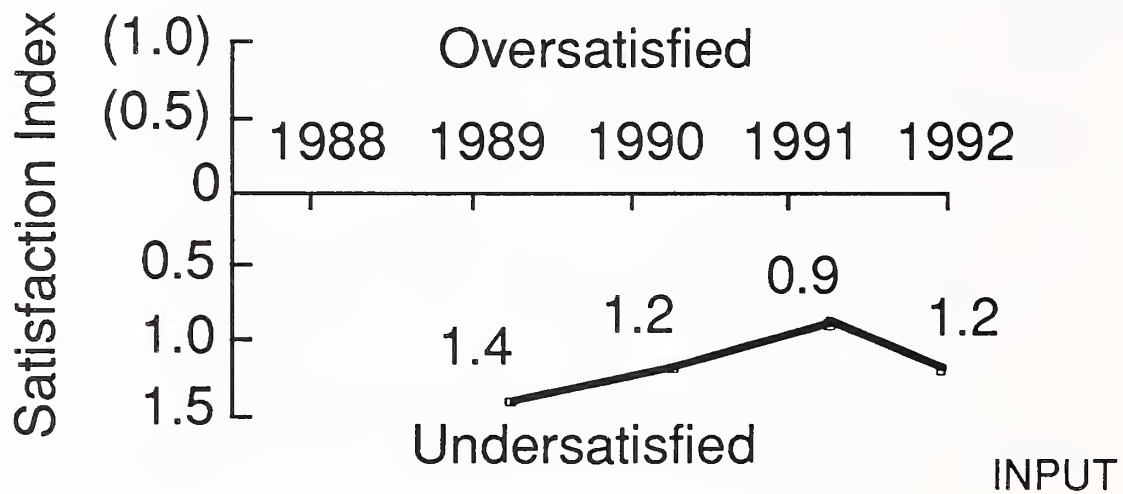
E-CS-195

Notes



Europe

## Vendor Quality—Image Systems Software Support



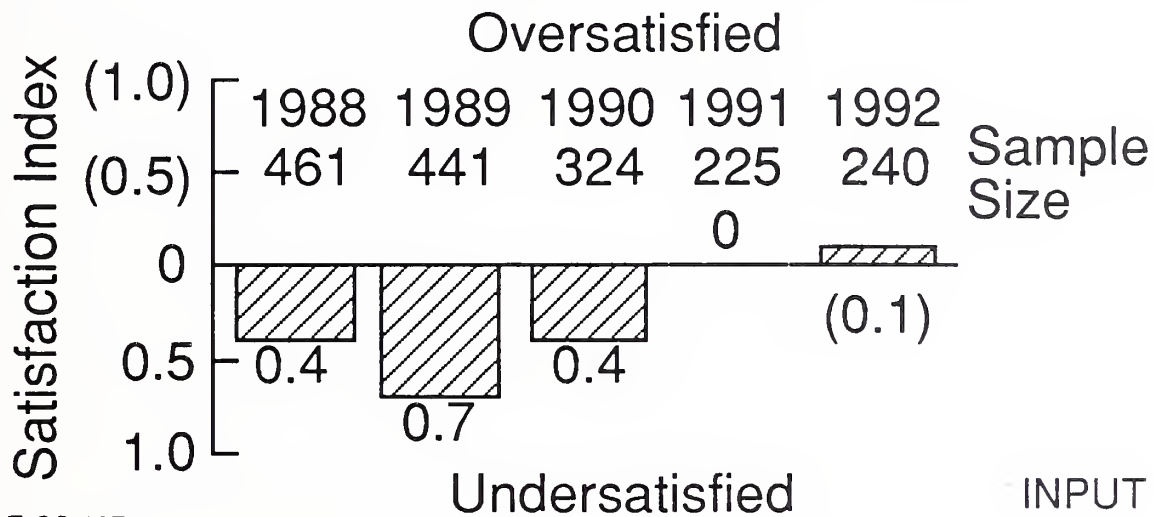
E-CS-196

### Notes

No data for 1988

Europe—Large Systems

## Hardware Service Satisfaction Trends

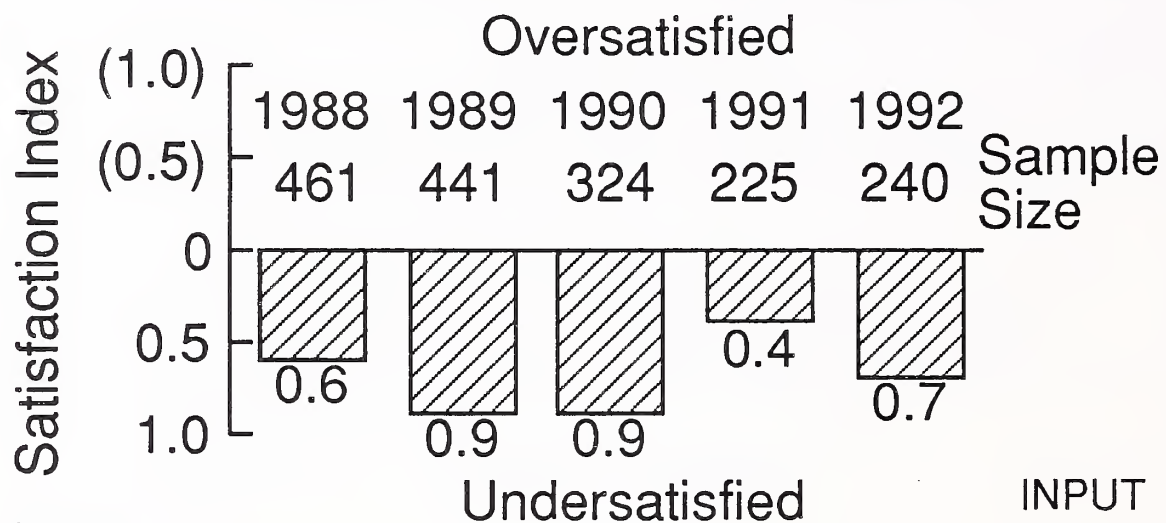


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Notes

Europe—Large Systems

## Systems Software Support Satisfaction Trends

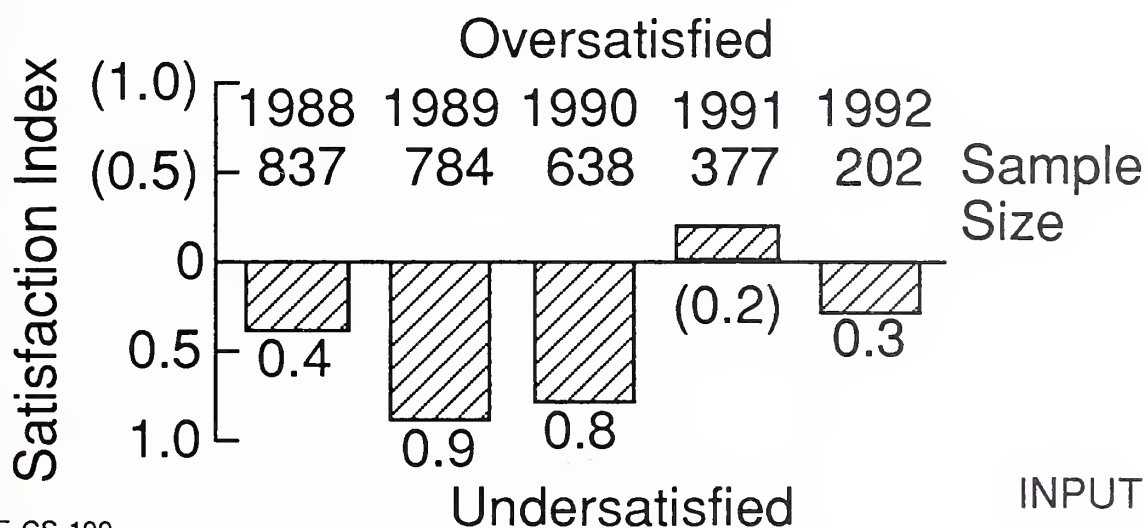


E-CS-198

Notes

## Europe—Medium/Mid-Range Systems

# Hardware Service Satisfaction Trends



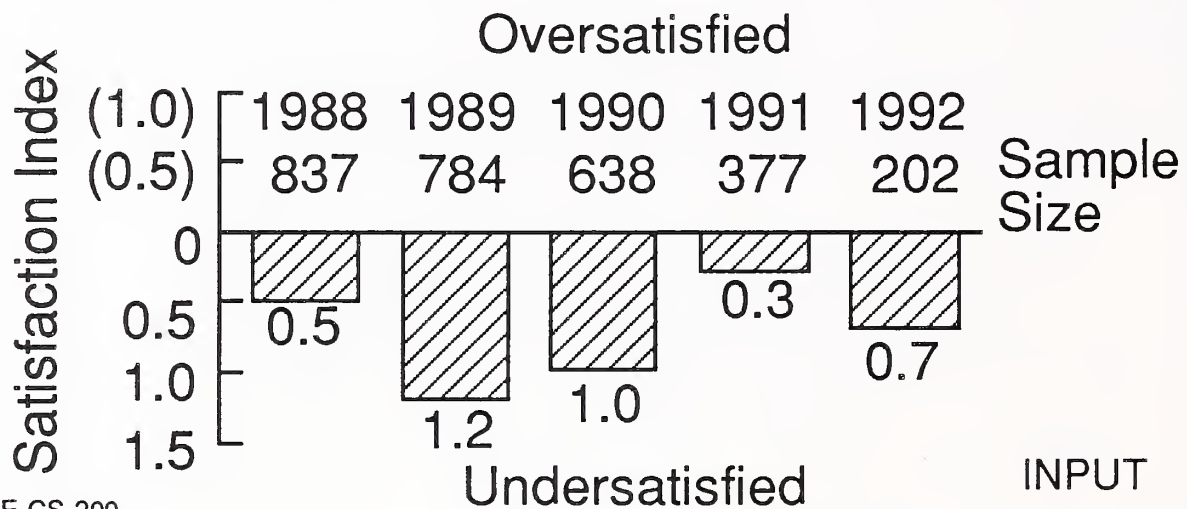
E-CS-199

## Notes

Data prior to 1992 refers only to medium systems.

## Europe—Medium/Mid-Range Systems

# Systems Software Support Satisfaction Trends



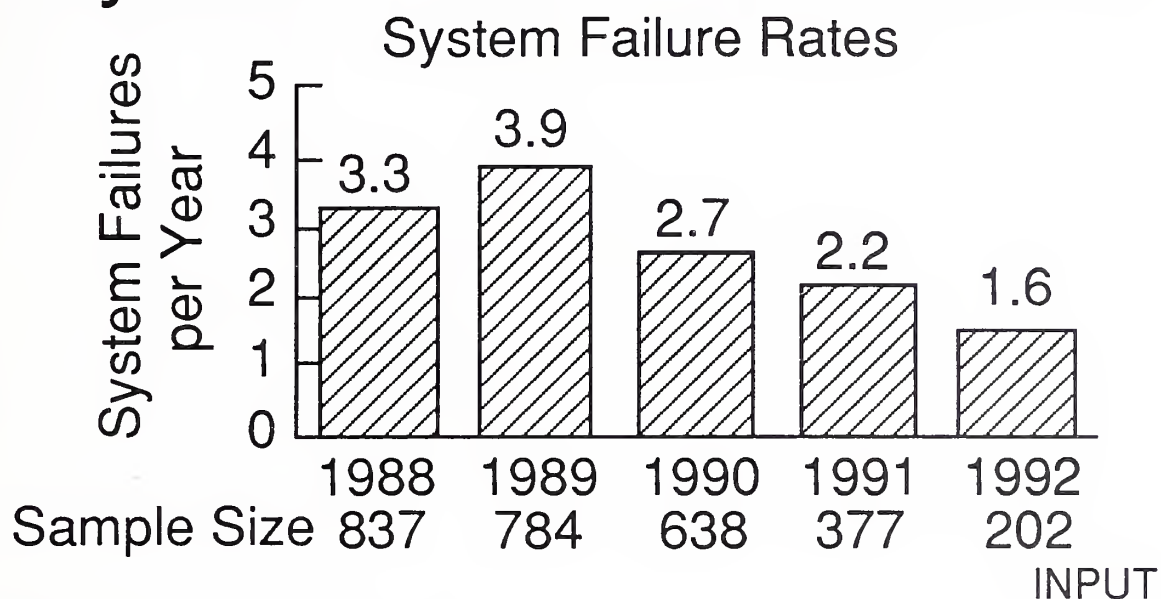
E-CS-200

## Notes

Data prior to 1992 refers only to medium systems.

Europe—Medium/Mid-Range Systems

# System Performance Trends



E-CS-201

## Notes

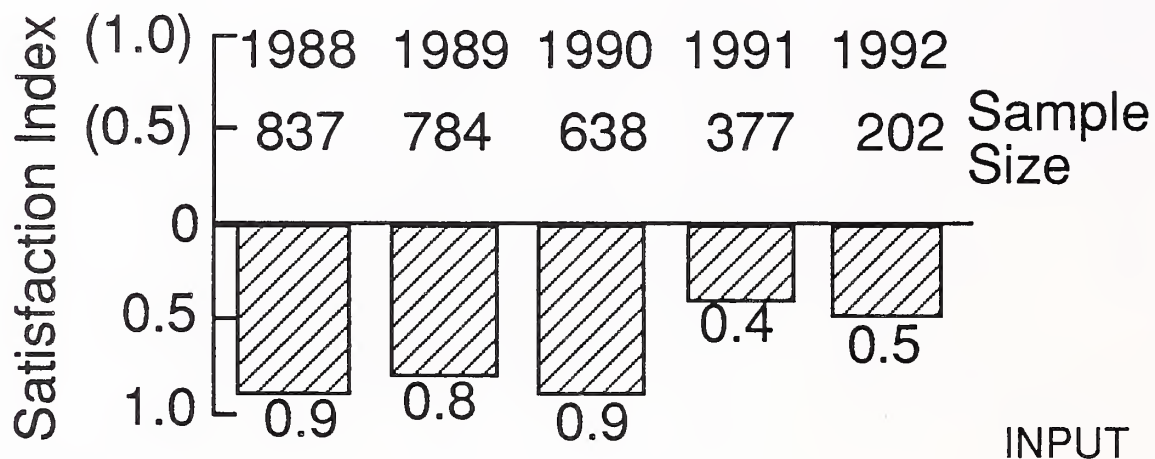
1988 data refers to all system ranges.  
1989 to 1991 data refers to medium systems.



## Europe—Medium/Mid-Range Systems

# System Performance Trends

## Satisfaction with Systems Availability



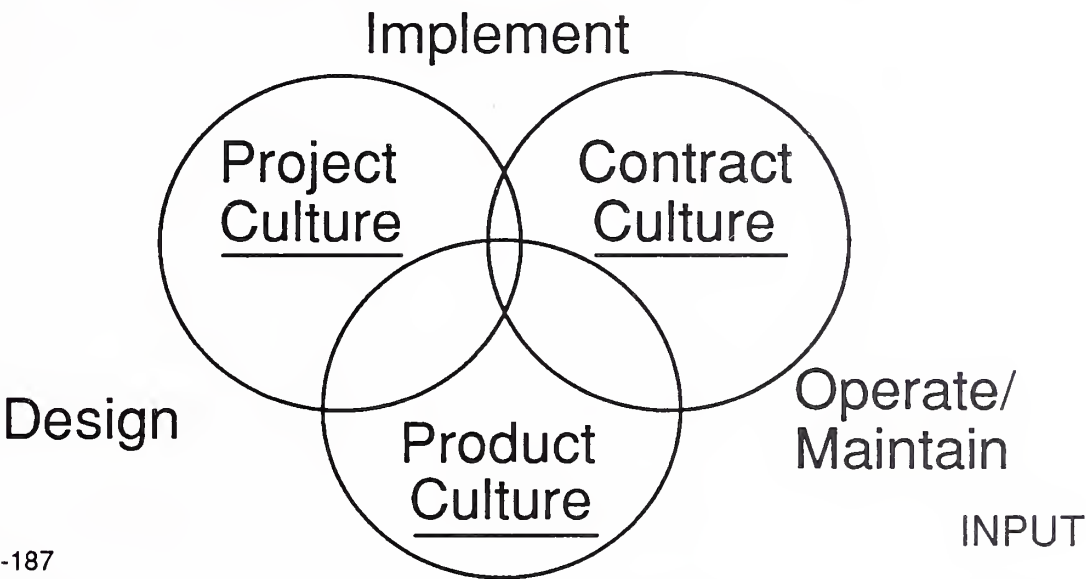
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### Notes

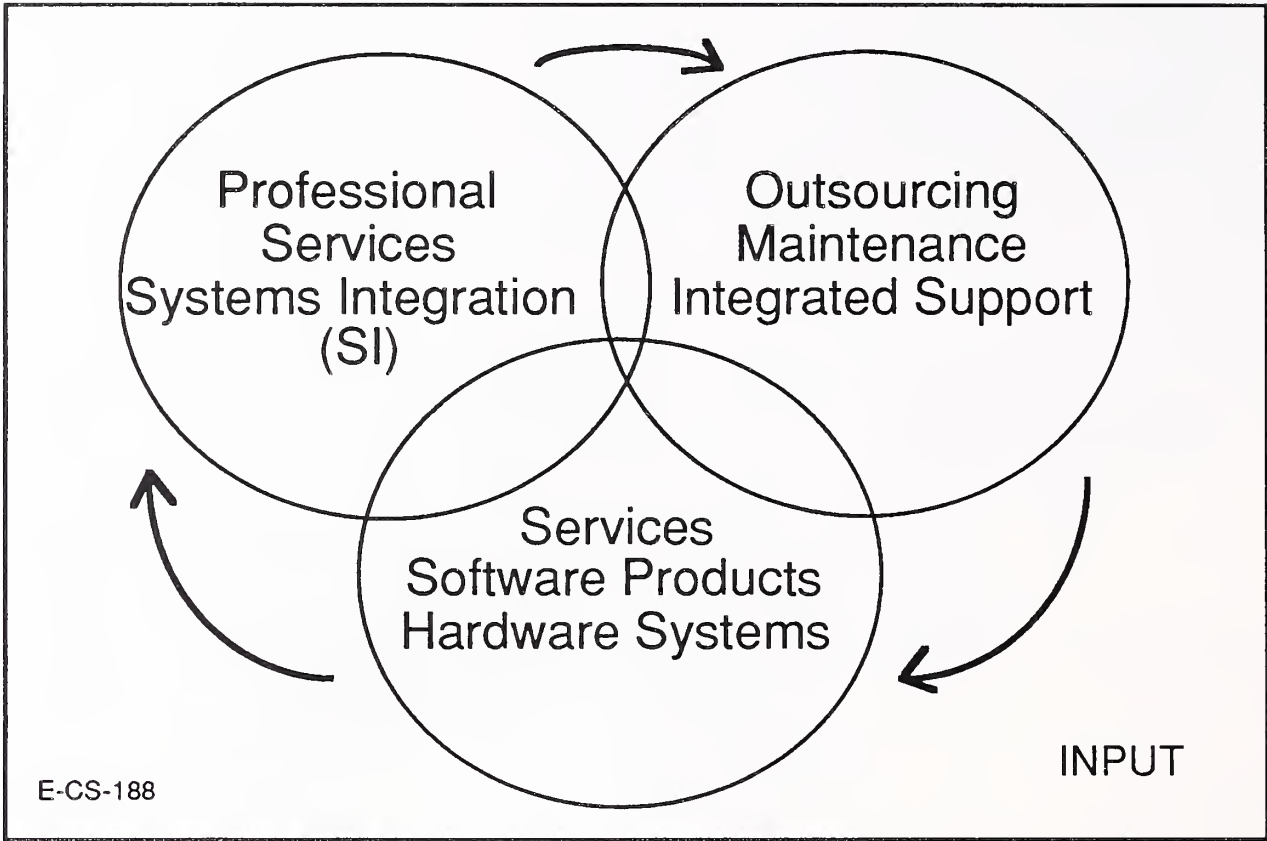
1988 data refers to all system ranges.

1989 to 1991 data refers to medium systems.

# Business Cultures in the Life Cycle



Notes



Notes

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